

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

| | | |
|--------------------|---|----------------------------|
| IN RE |) | |
| |) | |
| ALEXANDER E. JONES |) | CASE No. 22-33553 |
| |) | |
| DEBTOR. |) | (CHAPTER 11) |
| |) | |
| |) | JUDGE CHRISTOPHER M. LOPEZ |

**SIXTH MONTHLY FEE STATEMENT OF BLACKBRIAR ADVISORS, LLC FOR
ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AS
FINANCIAL ADVISOR TO THE DEBTOR FOR THE PERIOD FROM
JUNE 1, 2023 THROUGH JUNE 30, 2023**

| | | |
|--|-----------------------------|--|
| Name of Applicant: | BlackBriar Advisors, LLC | |
| Applicant's Role in Case: | Financial Advisor | |
| Date Order of Appointment Signed: | January 20, 2023 (Dkt #112) | |
| | Beginning of Period | End of Period |
| Time Period Covered in Statement: | 06/01/2023 | 06/30/2023 |
| Summary of Total Fees and Expenses Requested | | |
| Total Fees Requested in this Statement: | | \$44,480.00 ¹ (80% of \$55,600.00) |
| Total Reimbursable Expenses Requested in this Statement: | | \$2,147.75 ² |
| Summary of Fees for the Period Covered by this Statement | | |
| Professional Fees in this Statement: | | \$55,600.00 |
| Total Actual Professional Hours Covered by this Statement: | | 140.05 |
| Average Hourly Rate for Professionals: | | \$397.00 |

In accordance with the *Order Granting Motion for Entry of an Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Chapter 11 Professionals* [Docket No. #106], each party receiving notice of the monthly fee statement will have 14 days after service of the monthly fee statement to object to the requested fees and expenses. Upon the expiration of such 14 day period, the Debtor is authorized to pay the Professional an amount of 80% of the fees and 100% of the expenses requested in the applicable monthly fee statement.

¹ BlackBriar is holding \$0.00 as a retainer in its Trust Account.

² The date listed for expenses contained in the attached does not necessarily reflect the date on which the expense was actually incurred by Applicant.

Pursuant to §§ 327, 330, 331 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rule 2016-1 of the Bankruptcy Local Rules for the Southern District of Texas (the “Bankruptcy Local Rules”), and the *Order Granting Motion for Entry of an Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals* (the “Interim Compensation Order”) [Docket No. 106], BlackBriar Advisors, LLC (“BlackBriar”), as Financial Advisor to the Debtor, hereby files its *Sixth Monthly Fee Statement of BlackBriar Advisors, LLC for Allowance of Compensation for Services Rendered as Financial Advisor to the Debtor for the Period from June 1, 2023 through June 30, 2023* (the “Monthly Fee Statement”).

RELIEF REQUESTED

1. By this Monthly Fee Statement, and pursuant to the Interim Compensation Order, BlackBriar seeks interim payment of \$44,480.00 (80% of \$55,600.00) as compensation for professional services rendered to the Debtor during the period from June 1, 2023 through June 30, 2023 (the “Fee Period”); and reimbursement of actual and necessary expenses in the amount of \$2,147.75, for a total amount of \$46,627.75 to be paid upon expiration of the objection deadline barring any objections, pursuant to the Interim Compensation Order.

2. In support of the Monthly Fee Statement, BlackBriar submits a *Summary of Expenses for the Fee Period*, attached hereto as **Exhibit A**, a *Summary of Fees by Category as Financial Advisor for the Fee Period*, attached as **Exhibit B**, and a *Detailed Record of Fees as Financial Advisor for the Fee Period*, attached hereto as **Exhibit C**.

3. Pursuant to the Interim Compensation Order, any party objecting to the payment of the compensation and reimbursement of expenses requested herein shall serve on the undersigned counsel and the following Retained Professionals (as defined in the Interim Compensation Order),

and each of the other Notice Parties a written objection (the “Objection”) so that it is received on or before the Objection Deadline:

- a. Co-Counsel to Debtor, Jordan & Ortiz, P.C., 500 North Shoreline Blvd., Suite 900, Corpus Christi, TX 78401 (Attn: Shelby Jordan, sjordan@jhwclaw.com)
- b. U.S. Trustee c/o Ha Minh Nguyen and Jayson ruff, Office of the United States Trustee 515 Rusk St, Ste 3516 Houston, TX 77002, ha.nguyen@usdoj.gov, jayson.b.ruff@usdoj.gov
- c. Proposed Counsel to the Official Committee of Unsecured Creditors, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036 (Attn: David M. Zensky, Marty L. Brimmage, Jr., Sara L. Brauner and Melanie A. Miller; dzensky@akingump.com, mbrimmage@akingump.com, sbrauner@akingump.com, melanie.miller@akingump.com
- d. Counsel to Connecticut Plaintiffs, (a) Koskoff Koskoff & Bieder PC, 350 Fairfield Avenue, Bridgeport, CT 06604 (Attn: Alinor Sterling, ASterling@koskoff.com) and (b) Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, NY 10019 (Attn: Kyle J. Kimpler and Martin Salvucci, kkimpler@paulweiss.com, msalvucci@paulweiss.com)
- e. Counsel to Texas Plaintiffs, (a) McDowell Hetherington LLP, 1001 Fannin Street, Suite 2700, Houston, TX 77002 (Attn: Avi Moshenberg, avi.moshenberg@mhllp.com) and (b) Chamberlain, Hrdlicka, White, Williams & Aughtry, PC, 1200 Smith Street, Suite 1400, Houston, TX 77002 (Attn: Jarrod B. Martin, Jarrod.Martin@chamberlainlaw.com)
- f. Any other parties that the Court may designate.

In light of the nature of the relief requested herein, BlackBriar submits that no further or other notice is required.

4. Although every effort has been made to include all fees and expenses incurred in the Fee Period, some fees and expenses might not be included in this Monthly Fee Statement due to delays caused by accounting and processing during the Fee Period. BlackBriar reserves the right to make further application to this Court for allowance of such fees and expenses not included

herein. Subsequent Monthly Fee Statements will be filed in accordance with the Bankruptcy Code, the Bankruptcy Rules, and the Interim Compensation Order.

5. Therefore, BlackBriar respectfully submits support for its fees in the amount of \$55,575.00 for reasonable, actual and necessary services rendered by it on behalf of the Debtor during the Fee Period and \$2,147.75 for reasonable, actual and necessary expenses incurred during the Fee Period. BlackBriar further submits that, pursuant to the Interim Compensation Order, and pending the expiration of the objection deadline, if no objections to the Fee Statement are received, that the Debtor shall be authorized to immediately pay to BlackBriar the amount of \$46,627.75 which is equal to the sum of 80% of BlackBriar's fees and 100% of BlackBriar's expenses incurred during the Fee Period.

Houston, TX

Dated: August 31, 2023

BLACKBRIAR ADVISORS, LLC

By: /s/ Robert Schleizer

Robert Schleizer

2626 Cole Ave., Suite 300

Dallas, TX 75201

Telephone: 214-599-8600

Email: bschleizer@blackbriaradvisors.com

**FINANCIAL ADVISORS FOR DEBTOR
ALEXANDER E. JONES**

CERTIFICATE OF SERVICE

I certify that on March 31, 2023, a true and correct copy of the foregoing pleading was served upon the parties listed on the attached service list via the Court's ECF system and pursuant to Local Rule 9003-1, via e mail or U.S. mail as follows:

- a. Co-Counsel to Debtor, Jordan & Ortiz, P.C., 500 North Shoreline Blvd., Suite 900, Corpus Christi, TX 78401 (Attn: Shelby Jordan, sjordan@jhwclaw.com)
- b. U.S. Trustee c/o Ha Minh Nguyen and Jayson ruff, Office of the United States Trustee 515 Rusk St, Ste 3516 Houston, TX 77002, ha.nguyen@usdoj.gov, jayson.b.ruff@usdoj.gov
- c. Proposed Counsel to the Official Committee of Unsecured Creditors, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036 (Attn: David M. Zensky, Marty L. Brimmage, Jr., Sara L. Brauner and Melanie A. Miller; dzensky@akingump.com, mbrimmage@akingump.com, sbrauner@akingump.com, melanie.miller@akingump.com)
- d. Counsel to Connecticut Plaintiffs, (a) Koskoff Koskoff & Bieder PC, 350 Fairfield Avenue, Bridgeport, CT 06604 (Attn: Alinor Sterling, ASterling@koskoff.com) and (b) Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, NY 10019 (Attn: Kyle J. Kimpler and Martin Salvucci, kkimpler@paulweiss.com, msalvucci@paulweiss.com)
- e. Counsel to Texas Plaintiffs, (a) McDowell Hetherington LLP, 1001 Fannin Street, Suite 2700, Houston, TX 77002 (Attn: Avi Moshenberg, avi.moshenberg@mhlhp.com) and (b) Chamberlain, Hrdlicka, White, Williams & Aughtry, PC, 1200 Smith Street, Suite 1400, Houston, TX 77002 (Attn: Jarrod B. Martin, Jarrod.Martin@chamberlainlaw.com)
- f. Any other parties that the Court may designate.

/s/ Christina W. Stephenson

Christina W. Stephenson

EXHIBIT “A”

SUMMARY OF EXPENSES FOR THE FEE PERIOD

| EXPENSE | TOTAL |
|----------------|-------------------|
| Airfare/Train | \$1,155.20 |
| Mileage | 12.32 |
| Meals | 206.16 |
| Auto | 15.80 |
| Hotel | 445.77 |
| Other | 312.50 |

EXHIBIT “B”**SUMMARY OF FEES AND EXPENSES BY CATEGORY
FOR THE FEE PERIOD**

| <u>CATEGORIES</u> | <u>PROFESSIONAL TIME</u> |
|--|-------------------------------------|
| B110 Case Administration | 34.10 |
| B120 Asset Analysis and Recovery | 1.20 |
| B130 Asset Disposition | 0.00 |
| B140 Relief from Stay/Adequate Protection | 0.00 |
| B150 Meetings of & Communications with Creditors | 0.00 |
| B160 Fee/Employment Applications | 0.00 |
| B170 Fee/Employment Objections | 2.50 |
| B180 Avoidance Action Analysis | 0.00 |
| B185 Assumption/Rejection of Executory Contracts | 0.00 |
| B190 Other Contested Matters | 0.00 |
| B195 Non-Working Travel | 18.00 |
| B210 Business Operations | 77.60 |
| B220 Employee Benefits/Pensions | .60 |
| B230 Financing/Cash Collections | 0.00 |
| B240 Tax Issues | 3.50 |
| B250 Real Estate | 0.00 |
| B260 Board of Directors Matters | 0.00 |
| B310 Claims Administration and Objections | 0.00 |
| B320 Plan and Disclosure Statement | 2.60 |
| B410 General Bankruptcy Advice/Opinions | 0.00 |
| B420 Restructurings | 0.00 |
| TOTALS: | 140.10 |

EXHIBIT “C”

DETAILED RECORD OF FEES FOR THE FEE PERIOD



BLACK BRIAR

ADVISORS LLC

June 30, 2023

Alex E. Jones
c/o Shelby A. Jordan
Jordan & Ortiz, P.C.
6207 Bee Cave Road, Suite 120
Austin, TX 78746

Re: **Alexander E. Jones, Debtor In Possession**

Case No. 22-33553

Billing Period: **June 1 through June 30, 2023**

Invoice No. **AJ0601-23**

Professional Services

Rendered:

| <u>Date</u> | <u>Professional</u> | <u>Description</u> | <u>Hours</u> | <u>Amount</u> | <u>Task Code</u> |
|-------------|---------------------|--|--------------|---------------|------------------|
| 6/1/2023 | HK | Updated FSS Sales Reconciliation | 0.80 | 400.00 | B210 |
| 6/1/2023 | HK | Status update call with FSS CRO | 0.80 | 400.00 | B210 |
| 6/1/2023 | KN | Match invoices to bank activity | 2.50 | 1,000.00 | B210 |
| 6/5/2023 | BS | Counter proposal review and revisions to UCC offer | 1.00 | 500.00 | B320 |
| 6/5/2023 | HK | Reviewed & sent comments regarding certain aspects of plan | 0.80 | 400.00 | B320 |
| 6/5/2023 | KN | Update accounting; bank statements | 4.00 | 1,600.00 | B210 |
| 6/6/2023 | BS | Correspondence with counsel re Employment contract proposal re additional compensation | 0.60 | 300.00 | B220 |
| 6/6/2023 | BS | Teneo fee app review and objections | 2.50 | 1,250.00 | B170 |
| 6/6/2023 | KN | May accounting; accruals; meet with Bob; issues with invoices | 5.50 | 2,200.00 | B210 |
| 6/7/2023 | BS | Non-working travel | 3.00 | 750.00 | B195 |
| 6/7/2023 | BS | Plan review FSS and AEJ counter proposal tax issues; | 0.80 | 200.00 | B240 |
| 6/7/2023 | BS | Review AEJ affidavit - re Texas plaintiffs; discuss w AEJ | 0.50 | 125.00 | B110 |
| 6/7/2023 | BS | On site - operations; discussion with AEJ; review payables | 3.40 | 850.00 | B210 |
| 6/7/2023 | BS | Non-working travel | 3.00 | 750.00 | B195 |
| 6/7/2023 | KN | May bank reconciliations; invoices | 4.50 | 1,800.00 | B210 |
| 6/8/2023 | BS | ESG Hearing Emergency Motion for Protective Order | 0.70 | 350.00 | B110 |
| 6/8/2023 | BS | On site - operations; discussion with AEJ; review payables | 2.00 | 500.00 | B210 |
| 6/8/2023 | BS | Research Youngevity; email demand | 1.20 | 300.00 | B120 |
| 6/8/2023 | BS | Research unresolved tax issues; other income; travel expenses; call R. Kennerly; POA for Kennerly for additional research. | 0.90 | 225.00 | B240 |
| 6/8/2023 | HK | Updated FSS Sales Reconciliation | 0.80 | 400.00 | B210 |
| 6/8/2023 | HK | ESG Hearing Emergency Motion for Protective Order | 0.70 | 350.00 | B110 |
| 6/8/2023 | HK | Reviewed counter Plan Proposal | 0.80 | 400.00 | B320 |
| 6/8/2023 | KN | Cash Flow; financials | 4.50 | 1,800.00 | B210 |
| 6/9/2023 | BS | Update exempt assets and schedules for settlement offer to creditors | 0.90 | 450.00 | B210 |
| 6/9/2023 | KN | May MOR; Cash Flow | 6.00 | 2,400.00 | B110 |
| 6/11/2023 | BS | Update professional fees for MOR | 0.70 | 350.00 | B110 |
| 6/12/2023 | BS | Research and call w N. Allred; R. Kennerly re: settlement structure tax issues | 0.60 | 300.00 | B240 |
| 6/12/2023 | KN | MOR | 6.00 | 2,400.00 | B110 |
| 6/13/2023 | BS | Non-working travel | 3.00 | 750.00 | B195 |
| 6/13/2023 | BS | BBA call - FSS/Platinum sales reconciliation; review ESG contract; calculate reserves | 1.10 | 550.00 | B210 |
| 6/13/2023 | BS | BBA call - FSS/Platinum sales reconciliation | 0.50 | 250.00 | B210 |
| 6/13/2023 | BS | IRS proof of claim research; tax id no. issues re: FSS payroll and claim | 0.80 | 400.00 | B240 |
| 6/13/2023 | HK | Call with BlackBriar to go over sales reconciliation for MOR | 0.70 | 350.00 | B210 |
| 6/13/2023 | KN | MOR; AR reconciliation | 4.50 | 1,800.00 | B210 |
| 6/14/2023 | BS | Additional POA's related entities to access tax records | 0.40 | 200.00 | B240 |
| 6/14/2023 | BS | Onsite - Operations and accounting; employment contract; open issues - ESG, Crypto; follow up Youngevity; | 6.50 | 3,250.00 | B210 |
| 6/14/2023 | BS | Non-working travel | 3.00 | 750.00 | B195 |

Re: Alexander E. Jones, Debtor In Possession

Case No. 22-33553

Billing Period: June 1 through June 30, 2023
Invoice No. AJ0601-23

| | | | | | |
|---------------------------------------|----|--|---------------|--------------------|------|
| 6/14/2023 | HK | Call with BlackBriar to go over sales reconciliation & AR owed AEJ | 0.50 | 250.00 | B210 |
| 6/15/2023 | BS | Domestic pay issues and policies; accounting and payables | 1.20 | 600.00 | B210 |
| 6/15/2023 | BS | Provide missing bank information for counsel for UCC | 0.50 | 250.00 | B110 |
| 6/15/2023 | HK | Updated FSS Sales Reconciliation | 0.70 | 350.00 | B210 |
| 6/15/2023 | KN | June accounting, revenue reconciliation - product sales and other income | 4.00 | 1,600.00 | B210 |
| 6/16/2023 | KN | MOR , finalize sales recon | 2.00 | 800.00 | B210 |
| 6/20/2023 | KN | Budget; Accounting; Financials | 4.50 | 1,800.00 | B210 |
| | | Review SOFA schedules; revise and prepare support - call with counsel; calculate AEJ | | | |
| 6/21/2023 | BS | admin claim | 2.90 | 1,450.00 | B110 |
| 6/21/2023 | BS | Call w Teneo re: fee app | 0.40 | 200.00 | B110 |
| 6/21/2023 | KN | SOFA Recon, budget, accounting | 6.50 | 2,600.00 | B110 |
| 6/22/2023 | BS | Meeting w P. Magill re operations; follow up sales and plan budget; insurance review | 2.20 | 1,100.00 | B210 |
| 6/23/2023 | BS | Follow up- insurance analysis | 0.50 | 250.00 | B210 |
| 6/23/2023 | KN | Budget | 4.00 | 1,600.00 | B210 |
| 6/24/2023 | KN | Budget | 3.50 | 1,400.00 | B210 |
| 6/25/2023 | KN | QB accounting | 2.50 | 1,000.00 | B210 |
| 6/26/2023 | HK | Updated FSS Sales Reconciliation | 0.70 | 350.00 | B210 |
| 6/26/2023 | KN | Accounting; discussion with Leslie | 3.50 | 1,400.00 | B210 |
| 6/27/2023 | KN | Review SOFA' review invoices and charges to bank | 2.50 | 1,000.00 | B110 |
| 6/28/2023 | BS | Non-working travel | 3.00 | 750.00 | B195 |
| 6/28/2023 | KN | Review SOFA; accounting | 3.50 | 1,400.00 | B110 |
| 6/29/2023 | BS | Attend Status conference; follow on meetings - Houston | 2.50 | 1,250.00 | B110 |
| 6/29/2023 | BS | ESG/FSS analysis | 0.60 | 300.00 | B210 |
| 6/29/2023 | BS | Non-working travel | 3.00 | 750.00 | B195 |
| 6/29/2023 | HK | Updated FSS Sales Reconciliation | 0.70 | 350.00 | B210 |
| 6/29/2023 | HK | In Person or Remote Final Cash Collateral Hearing | 0.70 | 350.00 | B110 |
| 6/29/2023 | KN | Update accounting; review entries | 3.50 | 1,400.00 | B210 |
| | | | 140.10 | \$55,600.00 | |
| Total hours for Robert Schleizer (BS) | | | 53.90 | \$20,250.00 | |
| Total hours for Harold Kessler (HK) | | | 8.70 | 4,350.00 | |
| Total hours for Kathy Norderhaug (KN) | | | 77.50 | 31,000.00 | |
| | | | 140.10 | \$55,600.00 | |

Other Expenses**Expenses**

From attached expense breakdown

\$ 2,147.75

Total Invoice Amount**\$57,747.75**

BlackBriar Advisors LLC
2626 Cole Ave., Suite 300
Dallas, TX 75204

Alex E. Jones

Billing Period:

June 1 through June 30, 2023

Invoice:

AJ0601-23

| <u>Date</u> | <u>Airfare/Train</u> | <u>Mileage</u> | <u>Meals</u> | <u>Auto</u> | <u>Hotel</u> | <u>Other</u> | <u>Total</u> |
|--------------|----------------------|-----------------|------------------|-----------------|------------------|------------------|--------------------|
| 1-Jun | 129.00 | 6.16 | - | 15.80 | - | - | 150.96 |
| 2-Jun | 129.00 | 6.16 | 35.29 | - | 157.95 | - | 328.40 |
| 3-Jun | - | - | - | - | - | - | - |
| 4-Jun | - | - | - | - | - | - | - |
| 5-Jun | - | - | - | - | - | - | - |
| 6-Jun | - | - | - | - | - | - | - |
| 7-Jun | 448.60 | - | - | - | 148.59 | - | 597.19 |
| 8-Jun | - | - | 76.00 | - | - | 100.00 | 176.00 |
| 9-Jun | - | - | - | - | - | 42.70 | 42.70 |
| 10-Jun | - | - | - | - | - | - | - |
| 11-Jun | - | - | - | - | - | - | - |
| 12-Jun | - | - | - | - | - | - | - |
| 13-Jun | - | - | - | - | - | - | - |
| 14-Jun | - | - | - | - | - | - | - |
| 15-Jun | - | - | 65.00 | - | 139.23 | 55.00 | 259.23 |
| 16-Jun | - | - | - | - | - | - | - |
| 17-Jun | 448.60 | - | - | - | - | - | 448.60 |
| 18-Jun | - | - | - | - | - | - | - |
| 19-Jun | - | - | - | - | - | - | - |
| 20-Jun | - | - | - | - | - | - | - |
| 21-Jun | - | - | - | - | - | - | - |
| 22-Jun | - | - | - | - | - | - | - |
| 23-Jun | - | - | - | - | - | - | - |
| 24-Jun | - | - | - | - | - | - | - |
| 25-Jun | - | - | - | - | - | - | - |
| 26-Jun | - | - | - | - | - | - | - |
| 27-Jun | - | - | - | - | - | - | - |
| 28-Jun | - | - | - | - | - | - | - |
| 29-Jun | - | - | 29.87 | - | - | 114.80 | 144.67 |
| 30-Jun | - | - | - | - | - | - | - |
| 1-Jul | - | - | - | - | - | - | - |
| Total | \$ 1,155.20 | \$ 12.32 | \$ 206.16 | \$ 15.80 | \$ 445.77 | \$ 312.50 | \$ 2,147.75 |